

AMENDED IN ASSEMBLY MAY 1, 2003

AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1382

Introduced by Assembly Member Correa

February 21, 2003

An act to amend Sections 7121, 7122.1, and 7143 of the Business and Professions Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

AB 1382, as amended, Correa. Contractors: licensing.

(1) Existing law, the Contractors' State License Law, creates the Contractors' State License Board within the Department of Consumer Affairs and provides for the licensing, regulation, and discipline of contractors. Existing law prohibits any person whose license was denied, revoked, or suspended who had knowledge and participated in the acts for which the license was denied, revoked or suspended, from serving as a member, officer, director, or associate of a licensee.

This bill would exempt from this prohibition a person whose license was denied for failure to document sufficient satisfactory experience *for a supplemental classification for an existing license*.

(2) Existing law prohibits a partner or managing officer or employee from disassociating himself or herself from a license after receiving a citation in order to avoid complying with the citation.

This bill would instead prohibit a partner or managing officer or employee from disassociating himself or herself from a license after an

act or omission that resulted in a citation in order to avoid complying with the citation.

(3) Existing law allows a suspended contractor's license to be renewed only as an inactive license and prohibits a contractor from engaging in licensed activity until the license is reinstated.

This bill would instead authorize the renewal of an expired license which has been suspended as an active license but would prohibit a contractor with a suspended license from engaging in any activity relating to the license until the license is reinstated.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7121 of the Business and Professions
2 Code is amended to read:

3 7121. Any person who has been denied a license for a reason
4 other than failure to document sufficient satisfactory experience
5 *for a supplemental classification for an existing license*, or who
6 has had his or her license revoked, or whose license is under
7 suspension, or who has failed to renew his or her license while it
8 was under suspension, or who has been a member, officer, director,
9 or associate of any partnership, corporation, firm, or association
10 whose application for a license has been denied for a reason other
11 than failure to document sufficient satisfactory experience *for a*
12 *supplemental classification for an existing license*, or whose
13 license has been revoked, or whose license is under suspension, or
14 who has failed to renew a license while it was under suspension,
15 and while acting as a member, officer, director, or associate had
16 knowledge of or participated in any of the prohibited acts for
17 which the license was denied, suspended, or revoked, shall be
18 prohibited from serving as an officer, director, associate, partner,
19 or qualifying individual of a licensee, and the employment,
20 election, or association of this type of person by a licensee shall
21 constitute grounds for disciplinary action.

22 SEC. 2. Section 7122.1 of the Business and Professions Code
23 is amended to read:

24 7122.1. Notwithstanding Section 7068.2 or any other
25 provision of this chapter, the disassociation of any qualifying
26 partner, responsible managing officer, or responsible managing



1 employee from a license after the act or omission has occurred that
2 resulted in a citation pursuant to Section 7099 shall not relieve the
3 qualifying partner, responsible managing officer, or responsible
4 managing employee from responsibility for complying with the
5 citation. Section 7122.5 shall apply to any qualifying partner,
6 responsible managing officer, or responsible managing employee
7 of a licensee that fails to comply with a citation after it is final.

8 SEC. 3. Section 7143 of the Business and Professions Code
9 is amended to read:

10 7143. A license that is suspended for any reason which
11 constitutes a basis for suspension under this chapter, is subject to
12 expiration and shall be renewed as provided in this chapter, but this
13 renewal does not entitle the licensee, while the license remains
14 suspended, and until it is reinstated, to engage in any activity to
15 which the license relates, or in any other activity or conduct in
16 violation of the order or judgment by which the license was
17 suspended.

